



Testimony of Wayne State University

Presented by
M. Roy Wilson
President

Before the Senate Appropriations Subcommittee on Higher Education

February 20, 2014

President M. Roy Wilson
Wayne State University
Remarks before the Senate Appropriations Subcommittee on Higher Education
February 20, 2014

Good morning, ladies and gentlemen,

I was sworn in as Wayne State University's president on August 1st of last year, so this is my first time before you. However, this is not the first time I have addressed higher education appropriations subcommittees, having done so on multiple occasions in my previous positions in Nebraska, Texas, and Colorado.

One thing I've come to appreciate—as I'm sure you have also—is that universities are great State assets, and Michigan is fortunate to have so many high-quality institutions. Thank you for all you do in support of all of our public universities.

Let me begin by applauding the Governor for his budget recommendation of \$80 million for reinvesting in higher education and restoring some of the base funding that was drastically cut three years ago.

I'll try to cover three areas in the time I have allotted, and then I'll be happy to answer your questions.

First, I want to talk about what makes Wayne State unique among Michigan's public universities, and a critical asset for the State of Michigan. Second, I want to express our support for the performance metrics the Governor has proposed in his higher education budget. Third, if time permits, I'd like to talk about some of the ways we are working to improve our measures, and some of the ways you may be able to help.

How is Wayne State unique?

We are fortunate to have so many excellent universities in our State, each with its own value. In Wayne State, you have an asset that is totally unique among Michigan's universities – public or private.

My colleagues from the University of Michigan and Michigan State have already addressed this chamber, and shared their observations on the value of major research universities. We are fortunate to have three major research universities in Michigan – U of M, Michigan State, and Wayne State University. Together they form the University Research Corridor, which has an economic impact of more than \$16 billion.

Each of these universities is classified by the Carnegie Foundation for the Advancement of Teaching in the top 4 percent of universities nationwide on research activity. They attract talent and investment. They drive new discoveries and new businesses. They allow students to study with professors who are at the forefront of their disciplines. They improve lives through better products and medical advances.

The value of research universities is undeniable, and Wayne State is proud to be in this Carnegie peer group, which includes not only U of M and MSU, but prestigious universities like UC Berkley, MIT, and North Carolina.

And we do our part. Our research expenditures are more than a quarter of a billion dollars, and much of that is federal funding.

Last year Wayne State renewed its 10-year contract with the Perinatology Research Branch of the National Institutes of Health, which brings \$166.6 million to the State over 10 years – as well as talent and economic investment – and more importantly, results in life-saving research and care for mothers and children across the globe.

In 2015, we will complete construction of a Multi-disciplinary Biomedical Research Building, which the State helped make possible by providing a portion of the capital required. This, too, will attract talent and boost the economy while pushing the boundaries of medicine through cross-disciplinary research.

But Wayne State provides an additional value to the State, because we combine our research activities with another, very important mission.

My predecessors who have spoken to this committee before have described Wayne State as a “university of opportunity.” In a way, every university president can say that. Higher education is by nature a door to opportunity.

But at Wayne State, it’s a little different, because our door is open wider. And **this** is different from 95 percent of our Carnegie research peers.

Wayne State University has been a steppingstone for “non-traditional” students since its founding. Students who are the first in their families to attend college. Students who work full or part-time, or have family obligations. Children of immigrants, and students from different cultures, races, and creeds. Diversity isn’t a slogan at Wayne State – it is a reality that benefits both our students and our communities.

Some of these non-traditional students take longer to graduate. Why does it take longer? One reason is that our students work. In a survey of our students, 84 percent reported that they were employed full or part-time while attending Wayne State. Working, paying taxes, and contributing to the economy – while attending college.

We have many successful graduates who took longer than the standard six years to graduate. Daniel Loepp is the CEO of Blue Cross Blue Shield of Michigan. Dan took seven and one-half years to earn his undergraduate degree from Wayne State. Mark Bertolini is the chairman and CEO of Aetna. Mark also took longer than six years to graduate.

They are obvious successes, and because of such success, we like to consider the fuller picture of students at six years. While our latest graduation rate measure shows that only 32 percent of Wayne State students graduated in six years, **71 percent** have either graduated from Wayne State, graduated from another institution, or are continuing their education – either at Wayne State or another institution. It would be premature to classify either the student or the institution as a failure at this point.

We remain willing, despite the potential consequences, to accept a broader range of students that we believe can succeed, even when they don’t have the financial wherewithal or preparatory background that most of our peer group universities demand. Even when they take longer to graduate. This is our history, and this is our mission. I believe this is a noble mission, and I hope you agree.

With our top Carnegie designation, we are also a university of excellence. We demand academic rigor, and we maintain high expectations. When students succeed here, they've earned it. And when our students succeed, our community and State succeed.

While access to excellence is our principle mission, it is not all we do. Our location in Detroit demands more of Wayne State. We carry an obligation to our community, and we fulfill that obligation through tangible leadership and engagement that has helped lead a resurgence in Detroit.

We don't have time today to provide detail, but through public safety, economic development, community outreach, and service, we have helped Midtown flourish as a place to live, learn, work, and play. That, too, is a benefit to our students and our State.

It is this combination – a major research university **and** a university of opportunity that is inextricably linked to its community – that makes Wayne State unique among Michigan's universities, and a valuable State asset.

We believe, though we strive to improve, that Wayne State has a remarkable record of success upon which to build. But how do we define success? Right now, our metrics help us define success, and help the state decide how it will allocate a portion of its higher education funding.

METRICS

Let me start by emphasizing that we support accountability and the use of performance metrics. As an educator, researcher, and physician, I am comfortable with measuring outcomes and using information for insight and improvement.

I also believe performance metrics should be based on the state's educational and economic needs and align with the state's priorities. They must take into account the unique missions of each institution within the state, and they should incent desirable outcomes while minimizing negative unintended consequences, such as under-valuing the attainment of degrees by low-income students.

And, as I alluded to a moment ago, we support the metrics used to develop the Governor's proposal. I believe, in doing so, we are aligned with Michigan's 14 other public universities, and the Business Leaders for Michigan, who support investment in higher education as a critical step toward becoming a Top Ten state.

We support the proposed metrics **even though** they don't serve Wayne State as well as other universities, and would in fact result in Wayne State receiving the lowest percentage increase among Michigan's public universities. We do so because we understand the difficulty of developing a solution that both encourages accountability and rewards the unique aspects and missions of each of our universities. The metrics as put forth by the Governor are a reasonable compromise from which to build.

As I noted earlier, we accept higher-risk, often financially challenged students. We will continue to accept these students, because that is our mission. So we are pleased that the Governor's budget proposal includes a Pell metric, and we urge you to keep this in the final budget.

The Pell program supports the **most** financially challenged students. They didn't choose their circumstances or station in life. But they are choosing a better future.

The fact is, the disparity in baccalaureate degree attainment by family income is increasing at an alarming rate. In 1970, students from families in the bottom income quartile had a degree completion rate of about 6%, while the top income quartile attained degrees at about 40%. By 2010, the bottom quartile had risen to 8%, yet the top quartile rate had risen to 82%. Every student who is capable and willing to work hard should have the chance to attend an excellent university and achieve their dreams.

Because we are compared with Carnegie-classified research intensive peers mentioned earlier, the six-year graduation rate metric does not favor Wayne State. Yet, we support the inclusion of the six-year graduation rate as a metric. Personally, I am very disappointed with our six-year graduation rate. But we are not going to make excuses and duck this issue. We are going to **own** this problem, whether or not we think the metric is fair, because we have a moral responsibility to do everything we can to help **all** of our students succeed.

The steps we have instituted over the last few years are paying off. We've made significant gains in retention and graduation, but I asked that we set our sights far higher, because to be satisfied with less than 100 percent success is to accept that it's OK for some students to fail.

We don't control every variable in the equation. But we are making sure we examine and **improve** every variable we **do** control.

Although the six-year metric hurts us from a funding perspective, here's what's good about it. It has given us a laser focus. ***Improving our graduation rates has become our top priority.*** We're doing much to improve it. Time will not allow me the opportunity to discuss these initiatives with you today. (*see addendum*)

In summary, as you perform your important duties concerning the funding of higher education, I would offer the following thoughts and suggestions:

- First, we support the Governor's proposed budget approach whole-heartedly. We believe performance metrics should be relatively stable to help us measure progress. But we also believe this stability should be balanced with the economic and educational needs of the State, and more importantly the students we serve. We therefore recommend a periodic review of the metrics and tweaking them as appropriate to ensure they are delivering on their intended purpose.
- Second, we agree with the Governor that half of the new funding should be used to restore some of the **base** funding that was lost three years ago. We understand that the cut was necessary for budget reasons, but we are hopeful that the commitment to restore the funding once the State's budget was healthy will be part of the final agreement.
- Finally, we hope the metrics in the final budget recognize, to the extent possible, the unique yet critically important aspects of each of our universities. Specifically, we urge you to include the Governor's proposed Pell Grant metric, which will help universities that serve students with severe financial challenges.

Thank you for your time and attention.